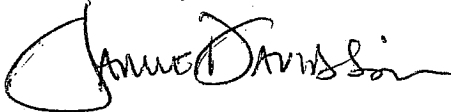


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1. *Financing of Infrastructure Improvements.* Lehi City may consider the use of tax-exempt special assessment area (SAA) financing in the development of project area system improvements.
2. *Reimbursement for the Development of System Wide Infrastructure.* Provisions of the AA outline the use of "impact fee certificates" in the construction of system infrastructure. Moreover, property owners that sign the agreement agree to financially participate in the development of infrastructure. This "pioneering" language details how signing property owners will financially cooperate in the future development of infrastructure.
3. *Water Dedication.* In signing the agreement, property owners who wish to develop their property in the future, will be given an opportunity to dedicate required water shares at the time of development, rather than at the designation of a zone other than TH-5. This provision may delay a property owner's need to dedicate water during the development process.

If you have additional questions about the city's development code or annexation process, I encourage you to contact the Lehi City Planning Department at (801) 768-7120, ext. 2. Additional questions regarding the proposed AA should be directed to a qualified legal representative.

Sincerely,



Jamie Davidson  
City Administrator

cc: Lehi City Mayor Howard H. Johnson  
Lehi City Council